

Washington, DC - Congressman Maurice Hinchey (D-NY) today sent a letter to the Democratic and Republican leaders of a key house panel in support of an important federal program that funds The Rural Ulster Preservation Company's (RUPCO) household counseling efforts. RUPCO provides critical advice to help families facing foreclosure and other housing challenges, and it relies heavily on funding from the U.S. Department of Housing and Urban Development's (HUD) Housing Counseling Program. The House Appropriations Subcommittee on Transportation, Housing and Urban Development and Related Agencies is currently considering if the \$88 million HUD program should be included in the Fiscal Year 2012 Budget.

"Far too many families in the Hudson Valley are experiencing foreclosure or other housing troubles and this problem isn't going away," said Hinchey. "RUPCO has been tremendously successful in helping families stay in their homes or find new housing. Without federal support, these services are in jeopardy of being lost. The Housing Counseling Program is needed now more than ever. That's why I'm working to have the funding restored."

Last year, RUPCO counseled 224 new households facing foreclosure, counseled another 481 existing clients still trying to resolve their mortgage delinquency, and attended 103 settlement conferences to help clients navigate the court system. Thanks in large part to RUPCO's efforts, only eight properties were foreclosed upon during that time. The Housing Counseling Program has enjoyed bi-partisan support for over 20 years and has been the only federal source of funding for local agencies to provide non-biased pre-purchase, renter, and reverse mortgage counseling.

The subcommittee will consider the proposal during a hearing this Thursday. If the Housing Counseling Program is not restored by the subcommittee, Hinchey says he'll work to secure the funding when the Appropriations bill is considered by the full committee, of which he is a member. The full text of Hinchey's letter follows:

September 6, 2011

The Honorable Tom Latham  
Chairman

Subcommittee on Transportation, Housing and Urban Development, and Related Agencies  
House Appropriations Committee

2217 Rayburn House Office Building  
Washington, DC 20515

The Honorable John W. Olver  
Ranking Member  
Subcommittee on Transportation, Housing and Urban Development, and Related Agencies  
House Appropriations Committee  
1111 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Latham and Ranking Member Olver:

As a Member of the House Committee on Appropriations, I commend you for your strong leadership of the Subcommittee on Transportation, Housing and Urban Development, and Related Agencies. While I recognize that your limited budget allocation provides you with difficult choices for 2012, I urge the subcommittee to support the Administration's request for \$88 million in funding for the HUD Housing Counseling program within the subcommittee's mark.

In my home district, Rural Ulster Preservation Company (RUPCO) is a member of a statewide coalition of housing counseling agencies in New York that strongly depends on funding from the HUD Housing Counseling program. Last year, RUPCO counseled 224 new households facing foreclosure, counseled another 481 existing clients still trying to resolve their mortgage delinquency, and attended 103 settlement conferences assisting clients trying to navigate the court system. Impressively, only eight properties were foreclosed upon during that time. The Housing Counseling program has enjoyed bi-partisan support for over 20 years and has been the only federal source of funding for local agencies to provide non-biased pre-purchase, renter, and reverse mortgage counseling. Past HUD Housing Counseling dollars have allowed agencies like RUPCO to increase counselor capacity and provide staff training to assist homeowners facing foreclosure.

Unfortunately, HUD counseling dollars were not included in the long-term continuing resolution passed this past April. If these critical funding shortfalls were to continue, as of October 1, 2011, housing counseling services across the country will be reduced and staff performing housing counseling will be limited. During our current foreclosure crisis, now would be the wrong time to cut funding to this program. As you are aware, the decline in the housing market continues to

drag down and slow our national economic recovery. HUD Counseling dollars support our nation's counseling services and without this funding stream, there is no replacement funding to maintain these critical services.

The loss of these important funds would deal a devastating blow to our already fragile economy and housing market. For these reasons, I respectfully urge you to support the Administration's request of \$88 million for HUD housing counseling as the subcommittee drafts its 2012 appropriations legislation.

Best regards.

Maurice D. Hinchey